

# WATER UTILITY ANNUAL REPORT

(Class "C" Companies)

OF

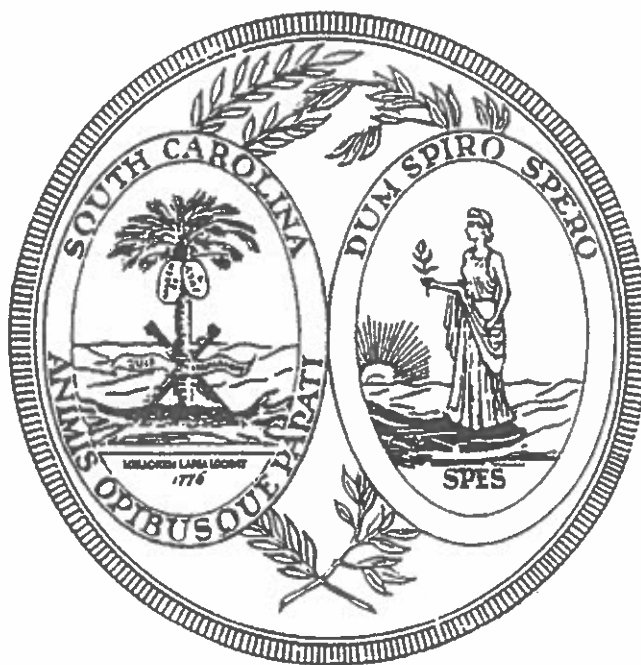
Water Supply Company, Inc.

Exact Legal Name of Respondent

PSC/ORS Number (leave blank)

FOR THE YEAR ENDED 2020

- ☒ Calendar Year Ending December 31, 2020  
or  
☐ Fiscal Year Ending \_\_\_\_\_



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Water Supply Company, Inc.

FOR THE YEAR ENDED 2020

(Company Name)

## GENERAL INSTRUCTIONS

1. All water utilities are required by state law to complete and file this annual report. On or before April 1, 2021, one electronic copy of this report should be submitted to the S.C. Public Service Commission email address [AnnualReports@psc.sc.gov](mailto:AnnualReports@psc.sc.gov). In addition, one electronic copy should be retained by the Company. Filing this electronic copy with the S.C. Public Service Commission will satisfy the utility's responsibility for submitting an annual report as required pursuant to Commission regulations.
2. Forms are available in PDF fillable format on the Office of Regulatory Staff web site at [www.ors.sc.gov](http://www.ors.sc.gov).
3. Respond to each item using "0", "none", or "not applicable" as appropriate.
4. Requests for extensions must be in writing to the Office of Regulatory Staff. Extension requests postmarked after April 1, 2021 will be denied.
5. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable Uniform System of Accounts prescribed by this Commission, as set forth in S.C. Code Ann. Section 58-5-220 and Commission regulation 103-520.
6. Standard accounting procedures will apply in determining the nature of any entry (e.g. entries of a reverse character will be indicated by a parentheses around the number).
7. The report will be filed consisting of data relative to a calendar year basis or the company's fiscal year, but not both.
8. If this report is made for a period less than the calendar year or fiscal year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where it is necessary to include the period covered. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes).
9. All instructions should be followed and each question should be answered fully and accurately. Sufficient answers are those in which no question or schedule has been overlooked. The expression "none" or "not applicable" should be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. In any instance where information called for is not given, the reason for its omission should be stated fully.
10. Dates, when called for, should include the day, month and year. Customary abbreviations may be used in stating dates.
11. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year; otherwise, an appropriate explanation of why different figures were used should be given.
12. One copy of the respondent's latest corporate annual report, if issued, should be submitted with this report. If the respondent is a member of a group, both the parent and subsidiary's corporate annual report should be submitted.

**GENERAL INSTRUCTIONS  
(Continued)**

13. Throughout this report, money items will be rounded to the nearest dollar.
14. Failure to comply with the submission of the annual report may result in fines and/or loss of certification.
15. Separate notification is required for changes in company information -- i.e. name, address, telephone number, contact names, sale or purchase of Company, corporate structure.
16. Use this form for a water utility ONLY! If your utility operates a wastewater system in addition to a water system, complete a separate annual report for the wastewater system. **DO NOT COMBINE BOTH WATER AND WASTEWATER INFORMATION ON THE SAME FORM!**
17. Contact the Office of Regulatory Staff at (803) 737-0800 if you have questions about this form or the requirements for a water or wastewater utility.

**Water Supply Company, Inc.**  
(Company Name)

**FOR THE YEAR ENDED 2020**

### **Schedule 100. IMPORTANT CHANGES DURING THE YEAR**

Provide written responses for each of the items listed below. Make the written statements clear and brief. A response must be given for each item. However, if the word "none" is an accurate response, it may be used as such. Similarly, if information is given elsewhere in the report which would serve as a response to an item, reference that information in the space provided.

1. Have you had changes or additions to franchise rights? If so, describe (a) the actual payment given in exchange for the franchise rights, and (b) from whom acquired. If acquired without payment, state that fact.  
no
2. Have any of the following occurred -- acquisition of other companies, or reorganization, merger or consolidation with other companies? If so, give names of companies involved, details concerning the transactions, and reference to Commission authorization, including docket numbers.  
no
3. Have any of the following occurred -- purchase or sale of operating units, such as sources, treatment and storage facilities, transmission and distribution systems, or similar occurrences? If so, specify items, parties, effective dates and also reference the Commission authorization, including docket numbers.  
no
4. Have any leaseholds been acquired, given, assigned, or surrendered? If so, give the effective dates, lengths of terms, names of parties, rents, Commission authorization, (docket numbers), if any, and other conditions.  
no
5. Have there been any extensions of service territories? If so, include the Commission authorization (docket numbers), that give the location of the new service territory covered by distribution system and the dates of beginning operations. Give the number of customers by class; for each class, give the number of customers estimated with regard to annual revenues for the new territories.  
no
6. What is the estimated increase or decrease in annual revenues due to rate changes, (cite docket numbers), and the approximate extent to which the increase or decrease is reflected in revenues for the reporting year?  
none
7. Have there been any wage scale changes? If so, show the dates of changes, the effect on operating expenses for the year, and estimated annual effect of the wage scale changes on operating expenses.  
none
8. Have there been any obligations incurred or assumed by you, the respondent, as guarantor for the performance by another of any agreement or obligation -- excluding ordinary corporate bonds maturing on demand or not later than one year after date of issue? If so, give the Commission authorization, (docket number), if any.  
no
9. Have there been any changes in articles of incorporation or amendments to charters? If so, explain the nature and purpose of these changes or amendments. Note any filing with the Commission.  
no
10. Other changes not provided for elsewhere.  
none

## Schedule 110. DEFINITIONS

**“Accounts”** means the accounts prescribed in the NARUC Uniform System of Accounts.

**“Amortization”** means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, which may be over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

**“Book Cost”** means the amount at which property is recorded in the applicable account without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

**“Class A”** for water utilities means a utility having annual water operating revenues of \$1,000,000 or more.

**“Class B”** for water utilities means a utility having annual water operating revenues of \$200,000 or more but less than \$1,000,000.

**“Class C”** for water utilities means a utility having annual water operating revenues of less than \$200,000.

**“Control”** (including the terms; “controlling,” “controlled by,” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, affiliated companies, contract or any other direct or indirect means.

**“Cost”** means the amount of money actually paid for property or service. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

**“Debt Expense”** means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen or marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

**“Depreciation”**, as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of the utility plant in the course of providing service. This includes causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of regulatory bodies.

**“Distribution Mains”** means any pipes whose primary purpose is to distribute treated water throughout a community, and whose components include arterial or primary feeders, secondary feeders, and the distribution grid works.

**Schedule 110. DEFINITIONS  
(Continued)**

**"Investment Advances"** means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

**"Minor Items of Property"** means the associated parts or items of which retirement units are composed.

**"Net Salvage Value"** means the salvage value of property retired less the cost of removal.

**"Nominally Issued"**, as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued directly to trustees of sinking funds in accordance with contractual requirements.

**"Original Cost"**, as applied to utility plant, means the cost of such property to the person first devoting it to public service.

**"Property Retired"**, as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

**"Replacing or Replacement"**, when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

**"Retained Earnings"** means the accumulated net income of the utility less distributions to stockholders and transfers to other capital accounts, and other adjustments.

**"Salvage Value"** means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

**"Straight-Line Remaining Life Method"**, as applied to depreciation accounting, means the plan under which the service value of property is charged to operating expenses (and to clearing accounts if used), and (accounts if used), and credited to the accumulated depreciation account through equal annual changes during its service life. "Remaining Life" implies that estimates of the future life and salvage shall be reexamined periodically and that depreciation rates will be corrected to reflect any changes in these estimates.

**"Supply Main"** means any main, pipe, or aqueduct or canal whose primary purpose is to convey raw untreated water from one unit to another unit in the source of supply and pumping plant, and to the water treatment equipment.

**"Transmission Main"** means any pipes whose primary purpose is to convey treated water from the water treatment equipment or pumping station to the distribution system serving a community and generally provides no service connections with customers.

**"Utility"**, as used herein and when not otherwise indicated in the context, means any public utility to which the Uniform System of Accounts is applicable.

Water Supply Company, Inc.  
(Company Name)

FOR THE YEAR ENDED 2020

## Schedule 120. EXECUTIVE SUMMARY

### 1. IDENTIFICATION (legal title)

PSC/ORS No.	(leave blank)		
Check Business Structure & Indicate Date	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Corporation
Name of Company:	Water Supply Company, Inc.		
Doing Business As:	Water Supply Co., Inc.		
Street Address:	[REDACTED]		
City:	Lexington	State:	South Carolina
		Zip Code:	[REDACTED]
Mailing Address:	same as above		
City:		State:	
		Zip Code:	[REDACTED]
Telephone No. (Include Area Code):	[REDACTED]		

(a) State whether any change was made in the name of the respondent during the year. If so, state the changes and the dates when they were made.

none

(b) State whether the respondent is a firm or partnership. If a partnership, give the names of the partners and the proportion of their respective interests.

none

(c) State the kinds of business, other than Water Utility, in which the respondent was engaged at any time during the year. If none, state that fact.

none

(d) Give the names and office addresses of the Board of Directors, if any, of the respondent at the close of the year, as well as the dates of expiration of their respective terms. If any person abandoned, resigned from, or was removed from a directorship during the year, give full details in a footnote. If the organization was a partnership, give the names of the partners and designate them as such.

Name of Director	Office Address	Term Begins	Term Ends
Dale S. Ness, Jr.	[REDACTED]		



Water Supply Company, Inc.  
(Company Name)

FOR THE YEAR ENDED 2020

**Schedule 120. EXECUTIVE SUMMARY**  
**(Continued)**

(c) Give the titles of all officers of the respondent at the close of the year, the names of persons holding the offices at year end, and the date when each originally assumed the duties of the office. If any person abandoned, resigned from, or was ousted from any office during the year, give full details in a footnote.

Title of Officer	Name of Person Holding Office	Office Address	Date of Entry
President	Dale S. Ness, Jr.		
Vice-President			
Secretary			
Treasurer			
Gen. Manager or Supt.			

(l) Give the date of incorporation of respondent and the name of the state or territory under whose laws the incorporation was organized.

**2. CONTACT (for purpose of this report)**

Contact Name:	Marilyn Edwards		
Title:	Administrative Assistant	Telephone:	( )
Email Address:		Fax No.:	( )

**3. MAILING ADDRESS (if different from above)**

Mailing Address:			
City:	State:	Zip Code:	

**CERTIFICATION**

I hereby certify that the enclosed Annual Report was prepared by me or under my supervision, that I have examined it, and that the items herein reported on the basis of my knowledge are correctly shown.			
Name:	Dale Ness JR	Title:	Owner / President
Signature:	[Signature]	Date:	4/22/21

Water Supply Company, Inc.  
(Company Name)

FOR THE YEAR ENDED 2020

## Schedule 130. TECHNICAL SUMMARY

### GENERAL INFORMATION

Submit a copy of the Company's latest DHEC quality of service letter/report with this annual report.

#### PHYSICAL DESCRIPTION:

Description of water system: two water wells

well #1 located at Wild Meadows Drive

well #2 located at Crossfield Rd.

Number of wells in use: 2 Number of tanks in use/size: well #1 2,000 gal.

Raw water reservoir capacity: well #2 10,000 gal.

Settling basins - number and size: \_\_\_\_\_

Equipment - description and make: \_\_\_\_\_

well #1 15 HP Goulds 95L15 submersible pump

well #2 15 HP Goulds 160L15 submersible pump

Is fire protection provided by system? no

Number of fire hydrants in use: 0

Kind of Pipe (Cast Iron, Galvanized Iron, Coated Steel, etc.)	Diameter of Pipe (inches)	Beginning of Year (feet)	Removed / Abandoned (feet)	End of Year (feet)
well #1 210 ft. of 3" galvanized drop pipe				
well #2 105 ft of 3" galvanized drop pipe				

Water Supply Company, Inc.  
(Company Name)

FOR THE YEAR ENDED 2020

**Schedule 130. TECHNICAL SUMMARY  
(Continued)**

SERVICES AND METERS					
Size and Description	Owned by Utility				Owned by Customers end of Year
	Beginning of year	Added	Retired or Abandoned	End of Year	
Meters in use and in stock					
3/4"					
1"					
1 1/4"					
1 1/2"					
1 3/4"					
2"					
other size					
Total Meters in use and in stock					
Meters in stock only - all sizes					
Services in use (feet)					
Iron pipe					
Lead and copper pipe					
Total services in use (feet)					
Services not in use (feet)					
Iron pipe					
Lead and copper pipe					
Total services not in use (feet)					
Total Services (feet)					

**TREATMENT:**

Is water purified? chlorine & ph Adjustment (lime)

Method used (sedimentation, slow or fast sand filtration, chemical, aeration, or other):

chemical feed pumps

Dimensions, sizes, and 24-hour capacities of sand filtration beds:

Coagulants used: no

Sterilization treatment used: chlorine

Is water fluoridated? no

Is water softened? no

Method used:

Water Supply Company, Inc.FOR THE YEAR ENDED 2020

(Company Name)

**Schedule 130. TECHNICAL SUMMARY**  
**(Continued)**

**SERVICE AREA AND CUSTOMER DATA:**

Area and/or subdivisions served by water system: \_\_\_\_\_

Wild Meadows Subdivision, Gaston, SC 29053

Total number of residential customers at the end of the fiscal or calendar year:  
Total number of commercial customers at the end of the fiscal or calendar year:  
Total number of industrial customers at the end of the fiscal or calendar year:  
Total number of customers at the end of the fiscal or calendar year:

2371238